

1963

ANNUAL REPORT

OF

The Belt Railway Company

of CHICAGO

FOR THE

YEAR ENDED DECEMBER 31, 1963

BOARDS

MR L
652,0973

B 419 a

General Offices
6900 South Central Avenue
Chicago, Illinois 60638

ORGANIZATION DIRECTORS

R. G. RYDIN, The Atchison, Topeka and Santa Fe Ry. Co. Chicago, Ill.
M. I. DUNN, The Chesapeake and Ohio Ry. Co. Cleveland, Ohio
DAVID O. MATHEWS, Chicago & Eastern Illinois R.R. Co. Chicago, Ill.
H. C. MURPHY, Chicago, Burlington & Quincy R.R. Co. Chicago, Ill.
O. W. LIMESTALL, Chicago, Rock Island and Pacific R.R. Co. Chicago, Ill.
M. G. McINNES, Erie Lackawanna R.R. Co. Cleveland, Ohio
H. A. SANDERS, Grand Trunk Western R.R. Co. Detroit, Mich.
O. H. ZIMMERMAN, Illinois Central R.R. Co. Chicago, Ill.
HENRY J. BUCHMAN, Monon R. R. New York, N. Y.
H. M. PHILLIPS, The Pennsylvania R.R. Co. Chicago, Ill.
J. D. BOND, Soo Line R.R. Co. Minneapolis, Minn.
H. W. LARGE, Wabash R.R. Co. St. Louis, Mo.

At the Annual Meeting of the Stockholders held on April 11, 1963 Mr. J. P. Allison was elected a Director representing the Erie Lackawanna Railroad Company to fill the vacancy created by the resignation of Mr. G. C. White.

At a Special Meeting of the Stockholders held on August 19, 1963 Mr. M. G. McInnes was elected a Director to fill the vacancy created by the resignation of Mr. J. P. Allison.

At a Special Meeting of the Stockholders held on October 8, 1963 Mr. H. W. Large was elected a Director to fill the vacancy created by the resignation of Mr. H. H. Pevler, and Mr. H. M. Phillips was elected a Director to fill the vacancy created by the resignation of Mr. H. W. Large.

EXECUTIVE COMMITTEE

R. G. RYDIN, Chairman

J. D. BOND
H. M. PHILLIPS

O. W. LIMESTALL
O. H. ZIMMERMAN

OFFICERS

President and General Manager..... L. A. EVANS
Vice President and Auditor..... I. A. SCHILKE
General Solicitor..... R. F. KOPROSKE
Secretary and Treasurer J. R. EKHOLM
Assistant Auditor C. L. HOLT
Assistant Secretary and Assistant Treasurer C. J. SOKEL

ANNUAL MEETING
SECOND TUESDAY IN APRIL

GENERAL REMARKS

Chicago, April 14, 1964

To the Stockholders of
The Belt Railway Company of Chicago

The Board of Directors herewith submits its report of operations for the year ended December 31, 1963.

OPERATING REVENUES:

Total operating revenues for the year were \$14,084,749 compared with \$13,725,611 in 1962, an increase of \$359,138, or 2.6 per cent, attributable to handling an increase of 16,866 local loaded cars, or 7.1 per cent. Interchange business handled by Belt power continued to decrease in 1963, largely influenced by an increase in direct deliveries by owner lines and other connections. Technological changes including installation of inert retarders on the Clearing Hump, together with increased efficiency, contributed to the increase in Belt separate operation income.

OPERATING EXPENSES:

Total gross operating expenses in 1963 were \$12,273,628, or \$184,810 (1.5 per cent) more than 1962; higher wage rates amounted to \$68,100. Operating ratio decreased to 71.63 from 71.94 in 1962.

MAINTENANCE OF WAY AND STRUCTURES:

Gross Maintenance of Way and Structures expense increased \$321,738, or 24.1 per cent; that portion chargeable to Belt Railway Separate Operation increased \$236,221, or 23.1 per cent, compared with the previous year. This additional expense includes heavy steel repairs to bridges at North Avenue and 26th Street, greater amount of rail and track fastening replacements during the year, and renewal of two intermediate retarders in "A" and "B" Clearing hump yards. Higher wage rates amounted to \$13,616. Operating ratio increased to 8.93 from 7.44 in 1962.

Rail replacements in 1963 were 191 gross tons of new and 602 gross tons of secondhand rail, compared with renewal of 243 gross tons of new and 77 gross tons of secondhand rail in 1962.

There were 4,426 cross ties and 88,284 feet B.M. switch ties installed during the year, compared with 5,415 cross ties and 94,903 feet B.M. switch ties placed in 1962.

MAINTENANCE OF EQUIPMENT:

Gross Maintenance of Equipment expense increased \$72,875, or 5.7 per cent; that portion chargeable to Belt Railway Separate Operation increased \$78,867, or 7.2 per cent. Increases in "Other Locomotives - Repairs" and "Freight-train Cars - Repairs" are due

principally to increase in material requirements for diesel locomotive and car repairs. Higher wages amounted to \$9,502. Operating ratio increased to 8.39 from 8.04 in 1962.

TRAFFIC:

Gross Traffic expense decreased \$57,814, or 57.2 per cent; that portion chargeable to Belt Railway Separate Operation decreased \$45,185, or 56.7 per cent. Higher wages amounted to \$922. The Traffic Department was discontinued effective June 1, 1963.

TRANSPORTATION:

Gross Transportation expense decreased \$329,231, or 3.8 per cent; that portion chargeable to Belt Railway Separate Operation decreased \$194,004, or 2.7 per cent, reflecting reduction in expenses principally in accounts, "Yardmasters and Yard Clerks," "Yard Conductors and Brakemen," "Yard Enginemen," "Crossing Protection," and "Injuries to Persons." Higher wages amounted to \$36,666. Operating ratio decreased to 49.72 from 52.44 in 1962.

GENERAL:

Gross General expense increased \$177,242, or 29.5 per cent; that portion chargeable to Belt Railway Separate Operation increased \$139,724, or 29.6 per cent. Higher wages amounted to \$7,394. Operating ratio increased to 4.35 from 3.44 in 1962.

RAILWAY TAX ACCRUALS:

Decrease of \$535,221 is due principally to decrease in general property tax accrual as a result of recently enacted tax equalization legislation.

JOINT FACILITY RENT INCOME:

Decrease of \$371,806 is due to increase in Belt Separate Operation gain apportioned to owner lines, and decrease in owner lines' proportion of rentals and taxes.

HIRE OF FREIGHT CARS:

Decrease of \$68,683, or 5.6 per cent, reflects a decrease in detention of per diem cars handled, principally industrial business.

RENT FOR LEASED ROADS AND EQUIPMENT: INTEREST ON FUNDED DEBT:

Decrease of \$1,062,598 in account, "Rent for Leased Roads and Equipment" and increase of \$1,043,559 in account, "Interest on Funded Debt" are principally due to Belt Railway purchase of

the "Belt Division" from the Chicago and Western Indiana Railroad.

DIVIDEND:

Income from Belt Railway Separate Operation for the year 1963 was \$709,632, of which \$253,950 was returned to the Owner Lines as repayment of previous years deficit. However, in view of the deficit of \$822,900 in the retained income account, no dividend was paid.

WAGE AND LABOR RELATIONS:

Settlement agreement was made on February 16, 1963 by The Belt Railway Company of Chicago and the Brotherhood of Locomotive Engineers disposing of disputes growing out of the organization's Section 6 notices served on the company in 1959 and in 1960, identified as National Mediation Case A-6690 and heard by Presidential Emergency Board No. 150.

Strike of clerical forces represented by the Brotherhood of Railway Clerks occurred at 6 A.M. June 1, 1963. Normal operations were resumed at 4 P.M. June 1, 1963 in accordance with restraining order issued by Judge J. J. Hoffman in the United States District Court for the Northern District, Eastern Division. Mediation proceedings under the Railway Labor Act of the issues involved were being progressed as of December 31, 1963.

ADDITIONS AND BETTERMENTS:

Additions and Betterments are indicated in detail on pages 10 and 11.

NEW INDUSTRIES:

During the year twenty-one new industries were located and twenty-three vacated, compared with twenty-seven located and twenty-two vacated in 1962.

LAKE CARGO COAL:

Lake cargo coal operation at the Rail to Water Transfer Corporation facilities, South Chicago, opened March 22, approximately fourteen days earlier than in 1962, and closed December 5, three days later than the previous year's closing. Coal tonnage handled over the facilities during the year totaled 5,658,068, an increase of 541,634 tons, or 10.5 per cent, over the previous year.

CHICAGO REGIONAL PORT AUTHORITY:

During the latter part of 1963 all parties represented in the lawsuit instituted by the Nickel Plate and Rock Island Railroads in the District Court of the United States for the Northern

District of Ohio, Eastern Division, filed printed brief and replies in the matter of the Belt and other companies serving the Calumet Harbor of the Chicago Regional Port District. No decision by the court was reached as of December 31, 1963.

SPECIAL:

Effective June 1, 1963, the general offices of the company were moved from Dearborn Station to 6900 South Central Avenue, Chicago, Illinois 60638.

Three 1200 H.P. Electro-Motive diesel locomotives, numbered 524, 525 and 526, equipped with multiple unit control were purchased in 1963 and placed in service during the month of July.

Three 1000 H.P. Baldwin diesel locomotives, numbers 401, 402 and 405, were retired during the year.

Detailed statements of the accounts of the Company will be found in the following tables.

The Board desires to express its appreciation for the co-operation and contributions of the employees and managerial staffs during the year.

Respectfully submitted by order of the Board of Directors.

L. A. EVANS

President and General Manager

REPORT OF AUDITOR

The statements included in this report have been prepared from records maintained under my supervision and to the best of my knowledge and belief set out the amounts shown in accordance with principles and methods of accounting prescribed or authorized by the Interstate Commerce Commission.

I. A. SCHILKE

Vice President & Auditor

Clearing, Illinois

March 16, 1964

INCOME STATEMENT

For the Year ended December 31, 1963, compared with the
Year ended December 31, 1962

	1963	1962	Increase or (Decrease)
RAILWAY OPERATING REVENUES:			
Intermediate switching.....	\$ 5,043,767	\$ 5,229,879	\$(186,112)
Local switching.....	8,543,449	8,018,021	525,428
Storage - freight	-	125	(125)
Demurrage.....	407,808	402,432	5,376
Rents of buildings and other property....	1,042	1,042	-
Miscellaneous.....	88,683	74,112	14,571
Total railway operating revenues.....	\$14,084,749	\$13,725,611	\$ 359,138
RAILWAY OPERATING EXPENSES:			
Maintenance of way and structures.....	\$ 1,257,381	\$ 1,021,160	\$ 236,221
Maintenance of equipment.....	1,181,759	1,102,892	78,867
Traffic.....	34,469	79,654	(45,185)
Transportation-Rail line.....	7,003,484	7,197,488	(194,004)
General.....	612,057	472,333	139,724
Total railway operating expenses.....	\$10,089,150	\$ 9,873,527	\$ 215,623
(Detail pages 13-16)			
Net revenue from railway operations.....	\$ 3,995,599	\$ 3,852,084	\$ 143,515
Operating ratio.....	71.63	71.94	(.31)
RAILWAY TAX ACCRUALS:			
General property.....	\$ 659,278	\$ 1,062,450	\$(403,172)
Federal income	(70,000)	66,248	(136,248)
Retirement	469,553	464,522	5,031
Unemployment	254,838	256,289	(1,451)
Other	7,573	6,954	619
Total railway tax accruals.....	\$ 1,321,242	\$ 1,856,463	\$(535,221)
Railway operating income.....	\$ 2,674,357	\$ 1,995,621	\$ 678,736
RENT INCOME:			
Rent from locomotives.....	\$ 26,584	\$ 24,622	\$ 1,962
Rent from work equipment.....	4,303	2,754	1,549
Joint facility rent income.....	552,831	924,637	(371,806)
Total rent income.....	\$ 583,718	\$ 952,013	\$(368,295)
RENTS PAYABLE:			
Hire of freight cars-Debit balance.....	\$ 1,165,953	\$ 1,234,636	\$(68,683)
Rent for locomotives.....	520	44	476
Rent for work equipment	8	227	(219)
Joint facility rents.....	141,456	115,952	25,504
Total rents payable.....	\$ 1,307,937	\$ 1,350,859	\$(42,922)
Net rents.....	\$(724,219)	\$(398,846)	\$(325,373)
Net railway operating income.....	\$ 1,950,138	\$ 1,596,775	\$ 353,363

INCOME STATEMENT - Concluded

For the Year ended December 31, 1963, compared with the
Year ended December 31, 1962

	1963	1962	Increase or (Decrease)
OTHER INCOME:			
Income from lease of road and equipment.....	\$ 32,187	\$ 31,162	\$ 1,025
Miscellaneous rent income.....	141,906	159,846	(17,940)
Income from non-operating property.....	18,783	1,165	17,618
Interest income.....	47,276	66,978	(19,702)
Income from sinking and other reserve funds.....	7,750	-	7,750
Miscellaneous income.....	109,904	71,073	38,831
Total other income.....	\$ 357,806	\$ 330,224	\$ 27,582
Total income.....	\$2,307,944	\$1,926,999	\$ 380,945
MISCELLANEOUS DEDUCTIONS FROM INCOME:			
Miscellaneous rents.....	\$ 1,849	\$ 1,489	\$ 360
Miscellaneous income charges.....	22,423	86,919	(64,496)
Total miscellaneous deductions.....	\$ 24,272	\$ 88,408	\$(64,136)
Income available for fixed charges.....	\$2,283,672	\$1,838,591	\$ 445,081
FIXED CHARGES:			
Rent for leased roads and equipment.....	\$ 91,571	\$1,154,169	\$(1,062,598)
Interest on funded debt.....	1,730,808	687,249	1,043,559
Interest on unfunded debt.....	-	10	(10)
Amortization of discount on funded debt...	5,611	1,982	3,629
Total fixed charges.....	\$1,827,990	\$1,843,410	\$(15,420)
Income after fixed charges.....	\$ 455,682	\$(4,819)	\$ 460,501

RETAINED INCOME-UNAPPROPRIATED

To December 31, 1963

Debit balance January 1, 1963.....	\$ 1,278,582
Credit balance transferred from income - Year 1963	455,682
Debit balance December 31, 1963	\$ 822,900

COMPARATIVE GENERAL BALANCE SHEET ASSETS

	December 31, 1963	December 31, 1962	Increase or (Decrease)
CURRENT ASSETS:			
Cash.....	\$ 130,559	\$ 234,846	\$ (104,287)
Temporary cash investments.....	1,922,601	2,103,832	(181,231)
Special Deposits.....	463	-	463
Traffic and car-service balances-Dr..	219,587	211,075	8,512
Net balances receivable from agents and conductors.....	54,205	36,771	17,434
Miscellaneous accounts receivable....	839,717	826,556	13,161
Interest and dividends receivable....	112	138	(26)
Accrued accounts receivable.....	691,260	590,221	101,039
Working fund advances	1,138	637	501
Prepayments.....	36,234	54,274	(18,040)
Material and supplies.....	397,426	521,397	(123,971)
Total current assets.....	\$ 4,293,302	\$ 4,579,747	\$ (286,445)
SPECIAL FUNDS:			
Sinking Funds.....	\$ 19,301	\$ -	\$ 19,301
Capital and other reserve funds.....	80,862	450,786	(369,924)
Insurance and other funds.....	11,997	12,473	(476)
Total special funds	\$ 112,160	\$ 463,259	\$ (351,099)
INVESTMENTS:			
Other investments.....	\$ -	\$ 1,200,000	\$ (1,200,000)
PROPERTIES:			
Road (See Pages 10 and 11)	\$35,674,898	\$33,964,514	\$ 1,710,384
Equipment (See pages 11 and 18)	6,843,168	6,613,282	229,886
Improvements on leased property.....	26,704	25,092	1,612
Total transportation property.....	\$42,544,770	\$40,602,888	\$ 1,941,882
Accrued depreciation - Road and Equipment.....	(5,854,545)	(5,176,137)	(178,408)
Total transportation property less recorded depreciation and amortization	\$37,190,225	\$35,426,751	\$ 1,763,474
Miscellaneous physical property.....	1,297,641	1,257,327	40,314
Total properties less recorded depreciation and amortization....	\$38,487,866	\$36,684,078	\$ 1,803,788
OTHER ASSETS AND DEFERRED CHARGES:			
Other assets.....	\$ 17,252	\$ 17,252	\$ -
Unamortized discount on long term debt.....	132,520	138,182	(5,662)
Other deferred charges	101,035	65,376	35,659
Total other assets and deferred charges.....	\$ 250,807	\$ 220,810	\$ 29,997
Total assets.....	\$43,144,135	\$43,147,894	\$ (3,759)

DECEMBER 31, 1963 AND DECEMBER 31, 1962
LIABILITIES AND SHAREHOLDERS' EQUITY

	December 31, 1963	December 31, 1962	Increase or (Decrease)
CURRENT LIABILITIES:			
Audited accounts and wages payable	\$ 601,726	\$ 577,201	\$ 24,525
Miscellaneous accounts payable.....	197,878	182,277	15,601
Interest Matured Unpaid.....	462		462
Unmatured interest accrued.....	641,780	653,143	(11,363)
Accrued accounts payable.....	120,977	95,094	25,883
Federal income taxes accrued.....	-	70,000	(70,000)
Other taxes accrued	800,904	1,172,000	(371,096)
Other current liabilities.....	34,609	11,141	23,468
Total current liabilities.....	\$ 2,398,336	\$ 2,760,856	\$ (362,520)
LONG-TERM DEBT:			
First Mortgage 4-5/8% Sinking Fund Bonds, Series A, due August 15, 1987	\$36,505,000	\$37,250,000	\$ (745,000)
Amounts payable to affiliated companies..	1,849,712	1,274,881	574,831
Total long-term debt.....	\$38,354,712	\$38,524,881	\$ (170,169)
OTHER LIABILITIES AND DEFERRED CREDITS:			
Other liabilities.....	\$ 36,094	\$ 18,120	\$ 17,974
Other deferred credits.....	67,893	12,619	55,274
Total other liabilities and deferred credits.....	\$ 103,987	\$ 30,739	\$ 73,248
SHAREHOLDERS' EQUITY:			
Capital stock issued.....\$3,120,000			
Less held by or for company 240,000(A)	\$ 2,880,000	\$ 2,880,000	\$ -
Capital surplus:			
Paid-in surplus	230,000	230,000	-
Retained income - unappropriated.....	(822,900)	(1,278,582)	455,682
Total Shareholders' equity.....	\$ 2,287,100	\$ 1,831,418	\$ 455,682
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY.....	\$43,144,135	\$43,147,894	\$ (3,759)

(A) Owned one-twelfth each - AT&SF, C&O, C&EI, CB&Q, CRI&P, Erie-Lackawanna, GTW, IC, Monon, Penn., Soo Line, Wabash.

INVESTMENT IN TRANSPORTATION PROPERTY

DURING THE YEAR

	Capital Expenditures	Retirements Adjustments Etc.	Net Investment
ROAD			
Engineering.....	\$ 2,441	\$ 29,337	\$ 31,778
Land for transportation purposes.....	1,330	214,070	215,400
Grading.....	-	192,701	192,701
Bridges, trestles and culverts.....	-	84,708	84,708
Ties.....	10	44,489	44,499
Rails.....	13,197	106,843	120,040
Other track material.....	287,032	77,412	364,444
Ballast.....	-	24,825	24,825
Track laying and surfacing.....	208	43,543	43,751
Fences, snowsheds and signs.....	744	196	940
Station and office buildings.....	260,637	24,113	284,750
Roadway buildings.....	-	2,671	2,671
Water stations.....	-	2,406	2,406
Fuel stations.....	2,175	2,727	4,902
Shops and engine houses.....	8,397	28,295	36,692
Wharves and docks.....	-	1,766	1,766
Communication systems.....	5,856	4,037	9,893
Signals and interlockers.....	2,727	57,449	60,176
Power plants.....	-	2,704	2,704
Power-transmission systems.....	1,090	4,777	5,867
Miscellaneous structures.....	897	2,838	3,735
Roadway machines.....	9,527	9,062	18,589
Carried forward.....	\$ 596,268	\$960,969	\$ 1,557,237

INVESTMENT IN TRANSPORTATION PROPERTY - CONCLUDED

DURING THE YEAR

	Capital Expenditures	Retirements Adjustments Etc.	Net Investment
ROAD Brought forward	\$ 596,268	\$ 960,969	\$ 1,557,237
Roadway small tools.....	114	593	707
Public improvements-construction.....	807	30,494	31,301
Shop machinery.....	43,846	6,350	50,196
Power plant machinery.....	-	10,199	10,199
Unapplied construction material and supplies.....	-	422	422
General expenditures Account 71, 72, 73, 74, 75 & 77.....	-	8,093	8,093
Interest during construction.....	-	53,841	53,841
 Total Road.....	 \$ 641,035	 \$1,070,961	 \$ 1,711,996
 EQUIPMENT			
Other locomotives.....	\$ 416,782	\$ (229,856)	\$ 186,926
Freight-train cars.....	-	7,719	7,719
Work equipment.....	51,735	(28,211)	23,524
Miscellaneous equipment.....	9,352	2,365	11,717
 Total Equipment.....	 \$ 477,869	 \$ (247,983)	 \$ 229,886
 TOTAL	 \$1,118,904	 \$ 822,978	 \$ 1,941,882

FUNDED DEBT

For The Year Ended December 31, 1963

First Mortgage Bonds issued

August 15, 1962 due August 15,
1987 Bankers Trust Company,
New York, Trustee

Total Amount authorized..... \$75,000,000

Total Issued August 15, 1962-\$37,250,000

4-5/8% Sinking Fund Bonds Series

"A" due August 15, 1987

For purchase of property formerly
leased from Chicago and Western

Indiana Railroad Company August 15, 1962..... \$36,662,852

Proceeds expended for financing expenses also for
additions and betterments subsequent to

August 15, 1962..... 587,148

Total Issued \$37,250,000

Less: Redeemed and cancelled..... 745,000

Total Outstanding at December 31, 1963 \$36,505,000

OPERATING EXPENSES

For the Year ended December 31, 1963, compared with the
Year ended December 31, 1962

	1963	1962	Increase or (Decrease)
MAINTENANCE OF WAY AND STRUCTURES:			
Superintendence.....	\$ 144,006	\$ 138,020	\$ 5,986
Roadway maintenance.....	111,564	103,623	7,941
Bridges, trestles, and culverts.....	35,182	9,509	25,673
Ties.....	36,006	40,517	(4,511)
Rails.....	56,999	24,982	32,017
Other track material.....	60,362	31,839	28,523
Ballast.....	3,042	2,188	854
Track laying and surfacing.....	233,374	211,634	21,740
Fences, snowsheds, and signs.....	1,713	1,301	412
Station and office buildings.....	60,186	47,454	12,732
Roadway buildings.....	7,763	5,993	1,770
Water stations.....	620	1,291	(671)
Fuel stations.....	1,929	427	1,502
Shops and enginehouses.....	40,088	25,725	14,363
Wharves and docks.....	8,730	-	8,730
Communication systems	37,159	37,616	(457)
Signals and interlockers	293,744	135,600	158,144
Power plants.....	3,173	4,298	(1,125)
Power-transmission systems.....	1,043	333	710
Miscellaneous structures.....	5,515	7,594	(2,079)
Road property - Depreciation (Leased)...	139	99,978	(99,839)
Road property - Depreciation (owned)...	194,412	71,313	123,099
Retirements - Road	3,463	7,499	(4,036)
Roadway machines.....	14,558	13,317	1,241
Dismantling retired road property.....	1,294	5,820	(4,526)
Small tools and supplies.....	24,340	27,246	(2,906)
Removing snow, ice, and sand.....	103,766	108,445	(4,679)
Public improvements - Maintenance.....	7,856	7,019	837
Injuries to persons.....	11,493	11,850	(357)
Insurance	34,475	37,782	(3,307)
Stationery and printing.....	2,853	2,616	237
Employees health and welfare benefits..	36,194	34,113	2,081
Right-of-way expenses.....	412	65	347
Maintaining joint tracks, yards and other facilities - Dr.	74,952	75,915	(963)
Other Expenses.....	2,255	-	2,255
Gross total.....	\$1,654,660	\$1,332,922	\$ 321,738
Maintaining joint tracks, yards and other facilities - Cr.	397,279	311,762	85,517
Net - Belt Railway - Separate operation	\$1,257,381	\$1,021,160	\$ 236,221
Ratio to operating revenues	8.93	7.44	1.49

OPERATING EXPENSES - Continued
For the Year ended December 31, 1963, compared with the
Year ended December 31, 1962

	1963	1962	Increase or (Decrease)
MAINTENANCE OF EQUIPMENT:			
Superintendence	\$ 62,966	\$ 80,865	\$ (17,899)
Shop machinery.....	4,542	4,266	276
Power-plant machinery.....	19,713	25,450	(5,737)
Shop and power plant machinery - Depreciation (Leased)	-	6,688	(6,688)
Shop and power plant machinery - Depreciation (Owned)	12,345	4,680	7,665
Other locomotives - Repairs.....	499,280	425,494	73,786
Freight-train cars - Repairs.....	249,540	208,481	41,059
Work equipment - Repairs	4,883	15,383	(10,500)
Miscellaneous equipment - Repairs.....	11,425	11,992	(567)
Dismantling retired equipment (Owned)...	2,116	-	2,116
Equipment - Depreciation (Leased)	-	44,665	(44,665)
Equipment - Depreciation (Owned)	267,676	205,206	62,470
Injuries to persons	11,048	28,178	(17,130)
Insurance	46,366	54,825	(8,459)
Stationery and printing.....	3,551	3,285	266
Employees health and welfare benefits...	26,401	26,058	343
Joint maintenance of equipment expenses - Dr.	121,206	130,435	(9,229)
Other expenses	5,768	-	5,768
Gross total.....	\$1,348,826	\$1,275,951	\$ 72,875
Joint maintenance of equipment expenses - Cr.	167,067	173,059	(5,992)
Net - Belt Railway - Separate operation	\$1,181,759	\$1,102,892	\$ 78,867
Ratio to operating revenues.....	8.39	8.04	.35
TRAFFIC:			
Superintendence.....	\$ 13,520	\$ 34,977	\$ (21,457)
Outside agencies	24,330	62,325	(37,995)
Advertising	1,478	1,315	163
Stationery and printing	3,215	2,360	855
Employees health and welfare benefits...	783	163	620
Gross total	\$ 43,326	\$ 101,140	\$ (57,814)
Charged to Owner Line operation	8,857	21,486	(12,629)
Net - Belt Railway - Separate operation	\$ 34,469	\$ 79,654	\$ (45,185)
Ratio to operating revenues.....	.24	.58	(.34)

OPERATING EXPENSES - Continued
For the Year ended December 31, 1963, compared with the
Year ended December 31, 1962

	1963	1962	Increase or (Decrease)
TRANSPORTATION - RAIL LINE:			
Superintendence.....	\$ 351,069	\$ 321,059	\$ 30,010
Dispatching trains.....	61,484	61,109	375
Station employees.....	799,435	793,593	5,842
Weighing, inspection, and demurrage bureaus	4,441	4,211	230
Station supplies and expenses	83,528	79,054	4,474
Yardmasters and yard clerks.....	453,144	504,870	(51,726)
Yard conductors and brakemen	2,441,689	2,546,009	(104,320)
Yard switch and signal tenders.....	390,785	397,279	(6,494)
Yard enginemen	1,697,368	1,719,071	(21,703)
Yard switching fuel	294,564	299,300	(4,736)
Water for yard locomotives	2,940	3,716	(776)
Lubricants for yard locomotives	39,366	36,585	2,781
Other supplies for yard locomotives.....	32,106	29,735	2,371
Enginehouse expenses - Yard	173,589	170,286	3,303
Yard supplies and expenses.....	577,010	567,733	9,277
Crossing protection	20,159	40,939	(20,780)
Communication system operation	22,497	21,408	1,089
Employees health and welfare benefits...	88,516	87,650	866
Stationery and printing	69,828	70,220	(392)
Other expenses	1,491	1,693	(202)
Insurance	50,943	55,364	(4,421)
Clearing wrecks.....	28,513	33,945	(5,432)
Damage to property	13,041	26,129	(13,088)
Loss and damage - Freight	92,408	92,376	32
Injuries to persons	122,456	251,860	(129,404)
Operating joint yards and terminals - Dr.	536,749	563,156	(26,407)
 Gross total	 \$8,449,119	 \$8,778,350	 \$(329,231)
 Operating joint yards and terminals - Cr.	 1,445,635	 1,580,862	 (135,227)
 Net - Belt Railway - Separate operation	 \$7,003,484	 \$7,197,488	 \$(194,004)
 Ratio to operating revenues	 49.72	 52.44	 (2.72)

OPERATING EXPENSES - Concluded
For the Year ended December 31, 1963, compared with the
Year ended December 31, 1962

	1963	1962	Increase or (Decrease)
GENERAL:			
Salaries and expenses of general officers	\$ 159,127	\$ 106,984	\$ 52,143
Salaries and expenses of clerks and attendants	267,683	272,514	(4,831)
General office supplies and expenses	23,933	36,033	(12,100)
Law expenses	190,919	63,623	127,296
Insurance	831	11,616	(10,785)
Employees health and welfare benefits	13,859	10,464	3,395
Pensions	47,449	54,385	(6,936)
Stationery and printing	17,910	12,275	5,635
Valuation expenses	-	-	-
Other expenses	52,186	28,889	23,297
General joint facilities - Dr. ...	3,800	3,672	128
Gross total	\$ 777,697	\$ 600,455	\$ 177,242
General joint facilities - Cr. ...	165,640	128,122	37,518
Net - Belt Railway - Separate operation	\$ 612,057	\$ 472,333	\$ 139,724
Ratio to operating revenues	4.35	3.44	.91
Total gross	\$12,273,628	\$12,088,818	\$ 184,810
Total deductions	2,184,478	2,215,291	30,813
Total operating expenses - Belt Railway - Separate operation	\$10,089,150	\$ 9,873,527	\$ 215,623
Ratio to operating revenues	71.63	71.94	(.31)
Operating revenue per car	\$ 14,707	\$ 14,536	\$.171
Operating expenses per car	\$ 10,535	\$ 10,456	\$.079

CARS HANDLED

Cars Handled by The Belt Railway Company of Chicago in its "Separate Operations"	1963		1962		Increase or (Decrease) Percent
	Number	Percent	Number	Percent	
INTERCHANGE:					
Loaded cars.....	255,583	26.69	277,146	29.35	(7.78)
Empty cars	218,099	22.77	208,919	22.12	4.39
LOCAL:					
Loaded cars.....	255,816	26.71	238,950	25.31	7.06
Empty cars	228,199	23.83	219,251	23.22	4.08
Total.....	957,697	100.00	944,266	100.00	1.42
TOTAL:					
Loaded cars	511,399	53.40	516,096	54.66	(.91)
Empty cars.....	446,298	46.60	428,170	45.34	4.23
Total	957,697	100.00	944,266	100.00	1.42
Cars interchanged directly between Owner Roads at Clearing and other yards, being handled by The Belt Railway through those yards.....	396,459		419,904		(5.53)
Cars handled by Owner Lines in direct movement over Belt Railway Co. of Chicago.....	504,016		440,287		14.47
Total cars handled.....	1,858,172		1,804,457		2.98

The following statement shows the number of cars handled by The Belt Railway Company of Chicago in its "separate operations" annually during the past five years.

Year	Interchange		Local		Total Cars
	Loaded	Empty	Loaded	Empty	
1959	316,781	235,163	267,486	253,362	1,072,792
1960	304,974	224,396	247,010	227,889	1,004,269
1961	277,533	207,378	229,255	214,496	928,662
1962	277,146	208,919	238,950	219,251	944,266
1963	255,583	218,099	255,816	228,199	957,697

The following statement shows the number of cars interchanged during the last five years directly between Owner Roads at Clearing and other yards, being handled by the Belt Railway through those yards, also cars handled by Owner Lines in direct movement over The Belt Railway Company of Chicago.

Year	Number of Cars
1959	806,877
1960	787,097
1961	779,721
1962	860,191
1963	900,475

EQUIPMENT OWNED

	Number on Hand Dec. 31 1962	Changes During Year		Number on Hand Dec. 31 1963
		Added	Retired	
Locomotives:				
Diesel	46	3	3	46
Freight-Train Cars:				
Caboose	33	-	-	33
Box	2	-	-	2
Total	35	-	-	35
Work Equipment:				
Flat cars	4			4
Gondola cars	2			2
Truck car	1			1
Refrigerator car	1			1
Instruction car	1			1
Wrecking derrick	1			1
Diesel clamshell	1		1	-
Tool car	1			1
Commissary car	1			1
Burro Crane		1		1
Total	13	1	1	13
Miscellaneous Equipment:				
Automobile trucks.....	21			21
Station Wagon	-	1		1
Automobile trailer	2			2
4 Door Sedan	1	2		3
Total	24	3		27

MILEAGE OF TRACK OPERATED

	1963				
	First Main	Second Main	Other Mains	Yard Tracks and Sidings	Total
A - Owned by The Belt Railway Co., Cragin to South Chicago including Clearing Yard	27.16	25.60	-	305.32	358.08
B - Leased from other companies, Chicago, Peoria & Western (Argo)....	-	-	-	.52	.52
Clearing Industrial District (North)	-	-	-	12.89	12.89
Clearing Industrial District (South)	-	-	-	2.04	2.04
Total	-	-	-	15.45	15.45
C - Operated under trackage rights from other companies					
C. & W. L. R.R. Co.					
80th St. to Pullman Jct.	3.56	3.47	-	.03	7.06
Pullman Jct. to South Deering	2.68	2.68	2.54	.38	8.28
South Deering to Burnham	3.98	3.98	.67	3.83	12.46
C. R. I. & P. Ry. - South Chicago	-	-	-	1.57	1.57
P. F. W. & C. Ry. - South Chicago	-	-	-	.09	.09
I. H. E. R. R. - 55th to Elsdon	1.41	1.40	-	-	2.81
B. & O. C. T. R. R. - Clearing to Proviso	9.05	8.09	-	13.70	30.84
B. & O. C. T. R. R. - Southwest Division (Cicero District)	-	-	-	6.08	6.08
N. Y. C. & St. L. R. R. - Ford Yd. & Lead	-	-	-	1.26	1.26
Calumet Western R. R. - 112th to 116th.	.51	-	-	-	.51
Pennsylvania P. R. & I. H. E. R. R. (Joint) 116th to 117th	.11	-	-	-	.11
Chicago, West Pullman & Southern - South Chicago	-	-	-	.09	.09
Elgin, Joliet & Eastern Ry. - Burnham	-	-	-	.17	.17
Total	21.30	19.62	3.21	27.20	71.33
Total Miles Operated	48.46	45.22	3.21	347.97	444.86

*Trackage Rights Not Exercised.

YARD TRACKS OWNED BY THE BELT RAILWAY CO. BUT NOT OPERATED

(Not included in above mileage)

Leased To	Location	Miles of Road
C. W. P. & S. R. R.	Warner Branch	1.46
C. & O. Ry. Co.	Rockwell St. Yard	9.20
Total		10.66

TRACAGE RIGHTS GRANTED OTHER COMPANIES

Company	Location	Miles of Road
I. H. E. R. R.	Elsdon Branch	1.51
E. J. & E. R. R.	South Chicago to Mill Gate & South Deering....	3.40
Chicago Short Line.	South Chicago to South Deering	2.90
Total		7.81

WHEELS OF TRACK OPERATED

1903				
Year	Month	Days	Hours	Minutes
1903	Jan	1	1	1
1903	Jan	2	2	2
1903	Jan	3	3	3
1903	Jan	4	4	4
1903	Jan	5	5	5
1903	Jan	6	6	6
1903	Jan	7	7	7
1903	Jan	8	8	8
1903	Jan	9	9	9
1903	Jan	10	10	10
1903	Jan	11	11	11
1903	Jan	12	12	12
1903	Jan	13	13	13
1903	Jan	14	14	14
1903	Jan	15	15	15
1903	Jan	16	16	16
1903	Jan	17	17	17
1903	Jan	18	18	18
1903	Jan	19	19	19
1903	Jan	20	20	20
1903	Jan	21	21	21
1903	Jan	22	22	22
1903	Jan	23	23	23
1903	Jan	24	24	24
1903	Jan	25	25	25
1903	Jan	26	26	26
1903	Jan	27	27	27
1903	Jan	28	28	28
1903	Jan	29	29	29
1903	Jan	30	30	30
1903	Jan	31	31	31
1903	Feb	1	1	1
1903	Feb	2	2	2
1903	Feb	3	3	3
1903	Feb	4	4	4
1903	Feb	5	5	5
1903	Feb	6	6	6
1903	Feb	7	7	7
1903	Feb	8	8	8
1903	Feb	9	9	9
1903	Feb	10	10	10
1903	Feb	11	11	11
1903	Feb	12	12	12
1903	Feb	13	13	13
1903	Feb	14	14	14
1903	Feb	15	15	15
1903	Feb	16	16	16
1903	Feb	17	17	17
1903	Feb	18	18	18
1903	Feb	19	19	19
1903	Feb	20	20	20
1903	Feb	21	21	21
1903	Feb	22	22	22
1903	Feb	23	23	23
1903	Feb	24	24	24
1903	Feb	25	25	25
1903	Feb	26	26	26
1903	Feb	27	27	27
1903	Feb	28	28	28
1903	Feb	29	29	29
1903	Feb	30	30	30
1903	Mar	1	1	1
1903	Mar	2	2	2
1903	Mar	3	3	3
1903	Mar	4	4	4
1903	Mar	5	5	5
1903	Mar	6	6	6
1903	Mar	7	7	7
1903	Mar	8	8	8
1903	Mar	9	9	9
1903	Mar	10	10	10
1903	Mar	11	11	11
1903	Mar	12	12	12
1903	Mar	13	13	13
1903	Mar	14	14	14
1903	Mar	15	15	15
1903	Mar	16	16	16
1903	Mar	17	17	17
1903	Mar	18	18	18
1903	Mar	19	19	19
1903	Mar	20	20	20
1903	Mar	21	21	21
1903	Mar	22	22	22
1903	Mar	23	23	23
1903	Mar	24	24	24
1903	Mar	25	25	25
1903	Mar	26	26	26
1903	Mar	27	27	27
1903	Mar	28	28	28
1903	Mar	29	29	29
1903	Mar	30	30	30
1903	Mar	31	31	31

THIS TABLE SHOWS THE WHEELS OF THE RAILROADS OF THE STATE OF NEW YORK

AND THE WHEELS OF THE RAILROADS OF THE STATE OF NEW YORK

Year	Month	Days	Hours	Minutes
1903	Jan	1	1	1
1903	Jan	2	2	2
1903	Jan	3	3	3
1903	Jan	4	4	4
1903	Jan	5	5	5
1903	Jan	6	6	6
1903	Jan	7	7	7
1903	Jan	8	8	8
1903	Jan	9	9	9
1903	Jan	10	10	10
1903	Jan	11	11	11
1903	Jan	12	12	12
1903	Jan	13	13	13
1903	Jan	14	14	14
1903	Jan	15	15	15
1903	Jan	16	16	16
1903	Jan	17	17	17
1903	Jan	18	18	18
1903	Jan	19	19	19
1903	Jan	20	20	20
1903	Jan	21	21	21
1903	Jan	22	22	22
1903	Jan	23	23	23
1903	Jan	24	24	24
1903	Jan	25	25	25
1903	Jan	26	26	26
1903	Jan	27	27	27
1903	Jan	28	28	28
1903	Jan	29	29	29
1903	Jan	30	30	30
1903	Jan	31	31	31
1903	Feb	1	1	1
1903	Feb	2	2	2
1903	Feb	3	3	3
1903	Feb	4	4	4
1903	Feb	5	5	5
1903	Feb	6	6	6
1903	Feb	7	7	7
1903	Feb	8	8	8
1903	Feb	9	9	9
1903	Feb	10	10	10
1903	Feb	11	11	11
1903	Feb	12	12	12
1903	Feb	13	13	13
1903	Feb	14	14	14
1903	Feb	15	15	15
1903	Feb	16	16	16
1903	Feb	17	17	17
1903	Feb	18	18	18
1903	Feb	19	19	19
1903	Feb	20	20	20
1903	Feb	21	21	21
1903	Feb	22	22	22
1903	Feb	23	23	23
1903	Feb	24	24	24
1903	Feb	25	25	25
1903	Feb	26	26	26
1903	Feb	27	27	27
1903	Feb	28	28	28
1903	Feb	29	29	29
1903	Feb	30	30	30
1903	Mar	1	1	1
1903	Mar	2	2	2
1903	Mar	3	3	3
1903	Mar	4	4	4
1903	Mar	5	5	5
1903	Mar	6	6	6
1903	Mar	7	7	7
1903	Mar	8	8	8
1903	Mar	9	9	9
1903	Mar	10	10	10
1903	Mar	11	11	11
1903	Mar	12	12	12
1903	Mar	13	13	13
1903	Mar	14	14	14
1903	Mar	15	15	15
1903	Mar	16	16	16
1903	Mar	17	17	17
1903	Mar	18	18	18
1903	Mar	19	19	19
1903	Mar	20	20	20
1903	Mar	21	21	21
1903	Mar	22	22	22
1903	Mar	23	23	23
1903	Mar	24	24	24
1903	Mar	25	25	25
1903	Mar	26	26	26
1903	Mar	27	27	27
1903	Mar	28	28	28
1903	Mar	29	29	29
1903	Mar	30	30	30
1903	Mar	31	31	31



